



April 21, 2015

Mr. Ken Hoppe
President
Crowley's Ridge College
100 College Drive
Paragould, AR 72450-9775

Certified Mail
Return Receipt Requested
7013 2630 0001 8220 8012

RE: **Expedited Final Program Review Determination Letter**
OPE ID: 00109500
PRCN: 201520628972

Dear Mr. Hoppe:

From March 23, 2015 through March 27, 2015, Mr. Bruce Anderson and Ms. Dalinda Lasater conducted a review of Crowley's Ridge College's (CRC's) administration of the programs authorized pursuant to Title IV of the Higher Education Act of 1965, as amended, 20 U.S.C. §§ 1070 et seq. (Title IV, HEA programs). The purpose of this Final Program Review Determination Letter is to close the program review.

The focus of the review was to determine CRC's compliance with the statutes and federal regulations as they pertain to the institution's administration of the Title IV, HEA programs. The review consisted of, but was not limited to, an examination of CRC's policies and procedures regarding institutional and student eligibility, individual student financial aid and academic files, attendance records, student account ledgers, and fiscal records.

A sample of 30 files was identified for review from the 2013-2014 and 2014-2015 (year to date) award years. The files were selected randomly from a statistical sample of the total population receiving Title IV, HEA program funds for the award year.

A list containing the names and social security numbers of the students whose files were examined was provided to CRC during the program review.

Protection of Personally Identifiable Information (PII):

PII is any information about an individual which can be used to distinguish or trace an individual's identity (some examples are name, social security number, date and place of birth). The loss of PII can result in substantial harm, embarrassment, and inconvenience to individuals and may lead to identity theft or other fraudulent use of the information.

Federal Student Aid

Dallas School Participation Division
1999 Bryan Street, Suite 1410, Dallas, TX 75201
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Although the review was thorough, it cannot be assumed to be all-inclusive. The absence of statements in the report concerning CRC's specific practices and procedures must not be construed as acceptance, approval, or endorsement of those specific practices and procedures. Furthermore, it does not relieve CRC of its obligation to comply with all of the statutory or regulatory provisions governing the Title IV, HEA programs.

The issuance of this FPRD does not preclude the Department from conducting additional testing for any area of non-compliance identified herein in a subsequent program review or compliance audit for the award years included in the scope of this program review.

The Dallas School Participation Division has made a Final Program Review Determination concerning the finding that was identified during the program review. Following is a discussion of the finding identified and the resolution of the finding.

Finding and Final Program Review Determination:

Finding 1. Student Credit Balance Deficiency

Citation: An institution is required to disburse credit balances created as a result of Title IV funding disbursements within 14 calendar days after the balance occurs, unless the institution has a written authorization from the student to hold the funds on the account. Notwithstanding this authorization, the institution must pay any remaining balance on loan funds by the end of the loan period and any remaining other Title IV, HEA program funds by the end of the last payment period in the award year in which they are awarded. *34 C.F.R. §§ 668.164(e) and 668.165(b)*

Noncompliance: CRC failed to pay the credit balance for student #19 within the required timeframe. The Federal Direct Loan (DL) was credited to the student account on 11/25/2014, but the credit balance was not paid to the student until 2/13/2015.

The credit balance was created because the student received a unique scholarship totaling \$5,000. The scholarship donor forwarded the scholarship award for both the fall and spring semesters at the beginning of the fall semester, with the stipulation that the institution hold the \$2,500 spring portion of the scholarship until the start of the spring semester. The student requested and was disbursed \$2,000 of the scholarship funds for living expenses, which created a balance due to the institution. When the DL was subsequently credited to the account on 11/25/2014 it resulted in a credit balance of \$733, which should have been disbursed within 14 days. However, due to the requirement that one half of the scholarship funds be held for the upcoming spring semester, CRC failed to differentiate between the federal and the non-federal credit balance.

Final Program Review Determination: Since this appears to be an isolated incident due to the uniqueness of the scholarship received, CRC may consider this finding closed with no further action required.

Record Retention:

Program records relating to the period covered by the program review must be retained until the later of: resolution of the loans, claims, or expenditures questioned in the program review; or the end of the retention period otherwise applicable to the record under 34 C.F.R. § 668.24(e).

We would like to express our appreciation for the courtesy and cooperation extended during the review. If you have any questions concerning this report, please call Mr. Anderson at 214-661-9470.

Sincerely,



Cynthia Thornton, Director
Dallas School Participation Division

cc: David Goff, Director of Student Financial Services
Arkansas Department of Higher Education
North Central Association of Colleges and Schools, the Higher Learning Commission